



Michigan State AFL-CIO

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MARK T. GAFFNEY, *President*

TINA ABBOTT, *Secretary-Treasurer*

February 1, 2011

Subject: Testimony of Michael Keller, Michigan State AFL-CIO
to Members of the Commerce Committee

Dear Members of the Commerce Committee:

House Bill 4158 is legislation that repeals item pricing in Michigan. Item pricing laws protect consumers from misleading advertising and provides them a method to verify the accuracy of their purchase transactions. A price tag on an individual item provides customers with knowledge of the actual price of merchandise they are purchasing, and with confidence that they will not be overcharged.

Shelf tags alone are not currently enforceable at the point of sale, as they are difficult to enforce. Even if the price is marked on a shelf, the consumer will have to remember or write down the price of each and every item they are purchasing in order to verify the price at the cashier. It will create a time consuming task for both the shopper and the cashier when customers ask for price verification.

Proponents of this repeal are stating that new technology integrated into smart phones would provide a method for consumers to check item prices, however many people do not have smart phones, cannot afford smart phones or would not have the technological savvy to operate one.

Though it is not the intent of item pricing law, the law does provide jobs as a peripheral benefit when effectively administered. Item pricing laws create jobs as workers are needed to label merchandise. Repeal of this law would eliminate those jobs for the workers who perform this task. An estimate by United Food and Commercial Workers shows the repeal could cause the elimination of 1-3 jobs per grocery store in Michigan.

Item pricing laws are not an economic cost to be eliminated. They are in place to help insure Michigan consumers are treated fairly. Michigan AFL-CIO opposes this bill.

Sincerely,

Michael Keller
Legislative Director

Cc: Mark Gaffney

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